



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectories, Appraisement (East/West)/Port Qasim /Preventive), Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad/ Multan / Islamabad/Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan

DETERMINATION OF CUSTOMS VALUES OF FOOD SUPPLEMENTS (DRINKING POWDER MILO, NESQUICK, BOURNVITA, OVALTINE, COMPLAN, & HORLICKS) UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO.640 / 2014)

No. Misc/30/2013-I

Dated: February 27, 2014


In exercise of the powers conferred under Section 25A of the Customs Act, 1969, Customs values of Food Supplements (Drinking Powder Milo, Nesquick, Bournvita, Ovaltine, Complan and Horlicks) are determined as follows:-

- Background of the valuation issue :** It was brought to the notice of Directorate General of Customs Valuation by field formations that Food Supplements were being imported at under invoiced values, causing loss of revenue to Government exchequer. This prompted an exercise to determine the fair Customs values for said goods.
- Method adopted to determine Customs values :** The Valuation methods given in Section 25 of the Customs Act, 1969 were followed. The Transaction value method under Sub-Section (1) of Section 25 *ibid* was found inapplicable because of non-availability of sufficient information. Identical / similar goods valuation methods provided in Sub-Sections (5) & (6) of Section 25 furnished unreliable values. Deductive Value Method under Sub-Section (7) read with Sub-Section (9) of Section 25 of the Customs Act, 1969, was applied to arrive at the assessable Customs values.
- Stakeholders' participation in determination of values :** Meetings were held with the stakeholders including representatives of FPCCI & KCCI on 23-12-2013, 30-12-2013 and 08-01-2014 to obtain stakeholders views on valuation of Food Supplements.
- Customs values for Food Supplements :-** Food Supplements *hereinafter specified* shall be assessed to duty/ taxes at the following Customs values :-

| S.No. | Description of Goods | PCT Code | Proposed PCT for WeBOC | Origin | Customs Values (C&F) US\$/Kg |
|-------|--|------------------------|----------------------------------|-------------|------------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1. | Drinking Powder Milo, Nesquick, Bournvita, Ovaltine and Complan, | 1901.9090 2106.9090 | 1901.9090.1000 2106.9090.1000 | All Origins | 2.20 |
| 2. | Drinking Powder Horlicks | 1901.9090 2106.9090 | 1901.9090.1100 2106.9090.1100 | All Origins | 3.00 |



5. In cases where declared/ transaction values are higher than the Customs value determined in this Ruling, the assessing officer shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.
6. **Validity of this Valuation Ruling:** The value determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.
7. **Review of the value determined vide this Valuation Ruling:** A review petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.
8. The Collectors of Customs may kindly ensure that the values given in the Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed with respect to PCT may kindly be brought to the notice of Directorate General immediately.


 (Suraiya Ahmed Butt)
 Director

Copy for information to :-

1. S.A. to Chairman, F.B.R., Islamabad.
2. Member (Customs), F.B.R., Islamabad.
3. Director General, Customs Valuation, Custom House, Karachi.
4. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
5. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
6. Chief Collector of Customs (Central), Lahore.
7. Chief Collector of Customs (North), Islamabad.
8. Director General, Intelligence and Investigation, Islamabad.
9. Director General, Post Clearance Audit, Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
13. Additional Director, Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database on the date of issue of this Ruling.
15. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. Chairman (Valuation Committee), KCC&I, Aiwane-Tijarat Road, Karachi.
17. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
18. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Review Section, Customs Valuation, 7th floor, Custom House, Karachi.
20. Karachi Customs Agents Group, Bohri Road, Karachi.
21. CHO, Customs Valuation, Custom House, Karachi.
22. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st floor, Custom House, Karachi.
23. Guard File.